

Staff also announced that the attendance sheet will include the name and phone number of the person to call when a Commissioner will be absent from a meeting.

2

Staff stated that regarding the tree ordinance and heritage tree program there is no new progress at this time. There is an issue in the zoning code amendment regarding the definition of family with compliance or lack of compliance with the Federal law. It would be beneficial to have a motion on this tonight.

Commissioner Lind asked about the attendance policy for the CAC. Councilmember Polanski stated that after 3 unexcused absences it is referred to the City Council for removal. The maximum number of unexcused absences is 3 per calendar year. On the 4<sup>th</sup> unexcused absence a letter is sent from the Chair and staff representative and a call from the Mayor. Chair Iloreta asked if the attendance will include special meetings as well. Councilmember Polanski stated the Commission would need to discuss to ensure there is a quorum.

Staff announced the status report on the list of concerns that were mentioned at the October 1, 2003 CAC meeting. A packet was distributed to each member for review and was told that if there were any questions please call the Neighborhood Services Division.

**VII.  
Citizens' Forum**

Chair Iloreta invited members of the audience to address the Commission on any item not on the agenda. There were no requests.

**VIII.  
Liaison Reports**

**A. City Council**

Councilmember Polanski introduced herself to the Commission and gave a brief summary of the most recent City Council items. The Council extended the memorandum of understanding with our Sister City in Japan. A presentation was presented from Sister City Hue Cho in China. The City has set up with assistance of a committee with community members to have a memorandum of understanding and now a Sister City relationship with Hue Cho in China. The grand opening of the annex for the Senior Center was held on Saturday, February 28, 2004. The modular buildings are now open. There were about 350 seniors in attendance for the grand opening. The Council received a letter from the Emergency Housing Consortium thanking the City of Milpitas for their leadership role in addressing the issue of youth homelessness and the \$25,000 awarded to the EHC through the CDBG funding was used to develop their new youth shelter. EHC spoke very highly of Felix Reliford and Gloria Anaya – "Felix Reliford and Gloria Anaya deserve special commendation for their efforts on the project and their commitment to affordable housing. Thank you again for your support and leadership in helping us continue to meet the needs of the homeless and at risk populations". The commendation was from the President and CEO of the Emergency Housing Consortium.

**IX.  
New Business**

**a. Review of Community Development Block Grant (CDBG) Program Applications for FY 2004-05.**

Senior Housing and Neighborhood Preservation Specialist Gloria Anaya outlined the Community Development Block Grant (CDBG) Program, explaining that the City received a total of 22 applications for funding. The City of Milpitas expects to receive \$711,000 of CDBG funds for FY 2004-05 from the Department of Housing and Urban Development (HUD).

Per Federal regulations, a maximum of 15% of the grant or \$106,650 is available to fund Public Services category. 20% of the grant or \$142,200 is set-aside for General Program Administration. The remaining 65% or \$462,150 is available to fund the Non-Public Services. The application booklets distributed to the CAC early this month include staff

funding recommendations. A revision was distributed to the CAC this evening with corrections to agency #2 – Asian American Recovery Services and #5 – Milpitas Recreational Services Afterschool Stay and Play.

A copy of the new HUD Income limits for 2004 was available for the Commission. It was noted that for the Santa Clara County medium income did not go up. It is the same as last year.

Ms. Anaya explained that each applicant would be allowed three minutes for presentations, and two minutes for questions from the Commission; after public hearing was closed, the Commissioners would be asked to allocate the available funds via the ballot process; and a recess is taken while staff enters each Commissioner's ballot allocation into a spreadsheet which would be totaled and averaged for final discussion and recommendation. The minimum funding level that was established by the CAC and City Council is \$5,000. Ms. Anaya asked that ballot allocations be at \$5,000 or above. Therefore, any of the programs that average less than \$5,000 would need to be redistributed to other organizations.

The recording secretary asked each Commissioner individually if they were currently receiving compensation from any of the application agencies and was informed by each and every Commissioner that they were not receiving compensation from any of the applicant agencies.

MOTION to open the public hearing.

M/S: Mandal, Mohsin

Ayes: 9

A representative from each of the applicant agencies present, except The O Foundation and Filipino Youth Coalition, addressed the Commission with an outline of their agency's functions and how allocated funds would be utilized.

MOTION to close the public hearing.

M/S: Mandal, Abelardo

Ayes: 9

Staff entered each Commissioner's ballot figures into the spreadsheet and presented the results to the Commission for discussion.

Commissioner Lind stated that she did not fund some agencies because the agencies were not present to advocate on their behalf.

MOTION to zero out the O-Foundation and distribute the dollars to the other agencies to make it more effect for the program.

M/S: Mandal, Ranker

Ayes: 9

MOTION to allocate the remaining \$556.00 to Milpitas Food Pantry.

M/S: Ranker, Lind

Ayes: 9

MOTION to allocate Public Service CDBG funds as follows and forward to City Council for funding:

Alum Rock Counseling Center	\$5,000
Asian American	\$5,000
Long Term Ombudsman Program	\$5,000
Catholic Charities	\$5,000
Milpitas Rec. Svcs – Afterschool Stay and Play	\$5,333
Milpitas Rec. Svcs – Camp Stay and Play	\$5,500
Milpitas Rec. Svcs – Assist. Program	\$11,297
Emergency Housing Consortium	\$5,444

Filipino American Opp. Development	\$5,000
Filipino Youth Coalition	\$5,000
India Community Center	\$5,000
Live Oak Adult Day Care	\$5,556
Milpitas Food Pantry	\$15,850
Next Door Solutions	\$5,556
Project Sentinel	*See Below
Second Harvest Food Bank	\$5,676
Senior Adults Legal Assistance	\$5,033
Support Network for Battered Women	\$6,406

**Total Public Service: \$106,650**

**\*\$15,000 coming from General Admin.**

M/S: Mandal, Luna

Ayes: 9

MOTION to allocate Non-Public Service CDBG funds as follows and forward to City Council for funding:

City of Milpitas – Interim Senior Center	\$100,000
Economic and Social Opportunities	\$80,000
Milpitas Housing Rehabilitation	\$282,150

**Total Non-Public Service: \$462,150**

M/S: Lind, Mohsin

Ayes: 9

**b. 2005 City Calendar Theme.**

Staff stated that the Recreation Department is proposing four alternate 2005 City Calendar theme suggestions and is requesting that the Commission approve a theme for the 2005 City Calendar. The four options are:

1. Milpitas Youth
2. Milpitas At Its Best
3. Local Parks
4. A Day in the Life of Milpitas

MOTION to select Option #2 – Milpitas At Its Best for the 2005 City Calendar.

M/S: Ranker, Abelardo

Ayes: 9

**c. Ethics Project Survey, Steering Committee Membership and Code Preparation Workshops.**

Commissioner Ranker gave a brief update on the Ethics Project. He explained that it has been very educational and the steering committee has made tremendous progress. The three deliverables that Dr. Shanks has been working on as well as staff are: a stakeholder report, a recommended plan for development of the ethics code and a draft awareness survey. There have been 24 one-on-one interviews. One meeting has been held where the public was invited to the CAC meeting. There are a few more meetings needed to receive more input from the public. The suggested dates are Wednesday, March 31<sup>st</sup> (Special meeting), Wednesday, April 7<sup>th</sup> (regular CAC meeting), Thursday, April 22<sup>nd</sup> (Special meeting), and Wednesday, May 5<sup>th</sup> (regular CAC meeting). There is a need to have a quorum in order to hold these meetings. Commissioner Lind stated that she could attend the March 31<sup>st</sup> and April 7<sup>th</sup> meetings but will be out of town on April 22<sup>nd</sup>. Commissioner Mandal also stated that he could attend the March 31<sup>st</sup> meeting but will be unable to attend the April 22<sup>nd</sup> meeting. Commissioner Mandal asked how long the meetings would last. Staff stated that they target the meetings to be two hours each.

Commissioner Ranker stated that another pressing need is that for the steering committee meeting with City staff he is the only representative for the CAC and there has been a

# **CAC CDBG FUNDING RECOMMENDATIONS FY 2004/05**

## **PUBLIC SERVICES**

	Applicant	Program Description	2004-05 Staff Recommendations	2004-05 CAC Recommendations
1	Alum Rock Counseling Center	24/7 mobile crisis response and intervention counseling	\$5,000	\$5,000
2	Asian American Recovery Svcs	Substance Abuse Prevention - Youth/Families	\$5,000	\$5,000
3	Catholic Charities	Long Term Ombudsman Prgm.	\$5,000	\$5,000
4	Catholic Charities	Shared Housing/Single Parents	\$5,000	\$5,000
5	City of Milpitas-Recreation Svcs.	After School Stay & Play Program	\$5,000	\$5,333
6	City of Milpitas-Recreation Svcs.	Camp Stay and Play	\$5,000	\$5,500
7	City of Milpitas-Recreation Svcs.	Recreation Assistance Program	\$11,650	\$11,297
8	Emergency Housing Consortium	Emergency Housing for Homeless	\$5,000	\$5,444
9	Filipino American Opp. Developmnt	Educational, Counseling, Case Mgt Svcs for Filipinos	\$5,000	\$5,000
10	Filipino Youth Coalition	Prevention and intervention services for youth	\$5,000	\$5,000
11	India Community Center	Community Services Center	\$5,000	\$5,000
12	Live Oak Adult Day Services	Recreation, Companionship & Meals for Disabled Seniors	\$5,000	\$5,556
13	Milpitas Food Pantry	Provide emergency food to very low income people.	\$15,000	\$15,850
14	Next Door Solutions	Solutions to Domestic Violence	\$5,000	\$5,556
15	The O Foundation	Youth prev. & intervention servs - athletic scholarship prog.	\$5,000	\$0
*** 16	Project Sentinel	Tenant/Landlord Dispute Resol. & Fair Housing Assist.	See Below	See Below
17	Second Harvest Food Bank	Self Help Food Asst. Prog. For Very Low Income Seniors	\$5,000	\$5,676
18	Senior Adults Legal Assistance	Free Legal Services for Seniors in SC County	\$5,000	\$5,033
19	Support Netwrk-Battered Women	Comprehensive Services for Battered Women	\$5,000	\$6,406
<b>TOTALS</b>			<b>\$106,650</b>	<b>\$106,650</b>

\*\*\* (\$15,000 to Project Sentinel out of General CDBG Administration.)

3/29/2004

# CAC CDBG FUNDING RECOMMENDATIONS FY 2004/05

## NON-PUBLIC SERVICES

	Applicant	Program Description	2004-05 Staff Recommendations	2004-05 CAC Recommendations
20	City of Milpitas Interim Sr Ctr	Food Service Equipment for Sr. Nutrition Program and wireless listening assisted devices for senior programs	\$100,000	\$100,000
21	Econ. & Social Opportunities	Hsng and Energy Services for Low & Very Low Income Res.	\$80,000	\$80,000
22	Milpitas Hsng Rehab Loan Prog.	Hsng Rehab Assist for Low & Very Low Income Residents	\$282,150	\$282,150
<b>TOTALS</b>			<b>\$462,150</b>	<b>\$462,150</b>

3/29/2004

# **City of Milpitas**

## **Draft Action Plan FY 2004 – 2005**



**COMMUNITY DEVELOPMENT BLOCK GRANT  
(CDBG)**

**City of Milpitas**  
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## City of Milpitas

### **Community Development Block Grant (CDBG) Annual Action Plan (FISCAL YEAR 2004-2005)**

Pursuant to the Department of Housing and Urban Development (HUD) funding requirements and in conformance with 24 CFR Part 91-Consolidated Submission for Community Planning and Development Programs, City of Milpitas has prepared and will be adopting its 2004-2005 Action Plan. The Action Plan is submitted annually and describes the eligible programs, projects and activities to be undertaken with funds that are expected to be made available during the Fiscal Year 2004-2005 and their relationship to the City's priorities for housing, homelessness and community development needs.

In June of 2002, the City of Milpitas submitted its *Five-Year Consolidated Plan (2002-2007)* to HUD. The Consolidated Plan identifies the long-term goals and objectives achieved and consistent with the annual Action Plan Report. Included with the submission of the Action Plan is the Standard Form 424, Proposed Projects and Certifications as required by Community Development Block Grant (CDBG) Program regulations. The goals and objectives identified in the Milpitas Action Plan are in full compliance with the approved and adopted policies and procedures outlined in the Milpitas CDBG Citizen Participation Plan.

#### **Response and Comments on the Milpitas Draft Action Plan**

Any comments on the City of Milpitas Draft Action Plan should be sent to the following address before April 5, 2004 (all mail must be postmark by this date):

Felix J. Reliford, Principal Housing Planner  
City of Milpitas-Planning and Neighborhood Services  
455 E. Calaveras Blvd.  
Milpitas, CA 95035  
E-mail address: [freliford@ci.milpitas.ca.gov](mailto:freliford@ci.milpitas.ca.gov)  
(408) 586-3071

#### **Part I: Resources**

Milpitas will to continue to pursue and encourage local non-profit housing and support service agencies to pursue all available public and private funding to achieve the Consolidated Plan goals. It is expected that funding from a combination of federal, state, and local sources will be used to pursue the majority of the identified public services and housing strategies. Milpitas will also encourage non-profit entities to work with financial institutions and develop plans for leveraging private and public funds to the maximum extent possible considering the specific project involved. Funding resources will be coordinated and leveraged whenever possible to maximize their potential.

Before awarding funds for projects to be carried out by other entities, Milpitas will review the project-financing plan to ensure that all agencies are utilizing all available funding and are leveraging funds to the maximum extent possible. Milpitas will not adhere to any specific matching requirements for use of the City CDBG funds. Milpitas will continue to require organizations to make the maximum effort to match City's funds through other public and private sources on a minimum one to one ratio (whenever possible).

Where this matching standard is not achieved, the non-profit organization will be required to provide a detailed listing of the resources pursued and the reasons and rationale for the lack of matching funds. Milpitas CDBG funds will only be awarded for a project, if Milpitas determines the non-profit entity pursued all available resources for the project and due to the nature of the project, the matching standard could not be achieved.

The following sections identify some of the major resources to be pursued by Milpitas, local non-profits, County of Santa Clara and other eligible exhaustive. Milpitas will continue to encourage local non-profit agencies to pursue all available funding resources, which may be applicable to their particular project. Milpitas will also continue to monitor these programs, projects and activities to promote its housing and community development goals and objectives through active policy development and use of available federal and non-federal funding sources.

### **Federal Programs**

#### **Community Development Block Grant (CDBG) Funds**

The largest funding source to provide a variety of support services and housing for low and moderate-income households in Milpitas. City of Milpitas receives its own grant through the CDBG program. It is estimated that Milpitas' 2004-2005 CDBG allocation will be \$711,000. Milpitas will also receive approximately \$50,000 in Program Income from the Single Family Housing Rehabilitation Loan Program. The loans from the rehabilitation program serve as a revolving loan fund that will go back into the program. The total estimated CDBG funding for FY 2004-2005 would be approximately \$761,000.

#### **HOME Program**

Milpitas may be seeking other financial resources to assist in financing affordable housing projects. This process may include negotiating with housing developers and applying for matching HOME Program funds. Because Milpitas' has never received a direct allocation of HOME funds from HUD, funding will be requested from the State of California under its competitive HOME Investment Program. Milpitas staff has attended several HOME Program seminars and workshops to become familiar with the regulations and requirements of the program. Milpitas will consider applying for the \$1 million (rental construction) grant for the proposed Senior Housing Project (or other affordable housing projects) with matching redevelopment funds. The required matching funds have been allocated per the program requirement.

### Section 8 Rental Assistance Program

This program provides rental assistance payments to private owners who lease their units to assist low-moderate income families. Milpitas will continue to support and encourage the Santa Clara County Housing Authority (SCCHA) efforts to obtain Section 8 vouchers for residents of Milpitas. Milpitas is negotiating with affordable housing developers to obtain their participation in accepting Section 8 vouchers in future affordable housing projects. Currently, a total of 628 Milpitas families have Section 8 vouchers. Another 104 families are on the Housing Authority waiting list.

### Section 220 and 221 (Low Income Housing Preservation and Resident Homeownership Act of 1990 -LIHPRHA)

Milpitas has worked with the property owner, Santa Clara County Housing Authority and HUD to maintain long-term affordability for the 171 units at Sunnyhills Apartments. Under the current agreement, the units will remain affordable until October 2011.

### Low Income Housing Tax Credit Program (LIHTC)

Milpitas will continue to explore financing affordable housing projects with Low Income Housing Tax Credits (LIHTC). Milpitas will work with local housing developers to seek additional funding to close any financing gap for affordable housing projects. Milpitas will also work with local housing developers on pursuing and obtaining 9% and 4 % LIHTC to finance future affordable housing projects.

### State Programs

#### Proposition No. 46

In November 2002, the voters of the State of California approved Proposition No. 46-a \$2.1 billion housing bond allocation for funding (grants, loans, etc.) for various types of affordable housing projects. The City of Milpitas will be applying for several types of funding for multifamily housing programs, Self Help Housing Fund, Housing Rehabilitation Loan Fund (Code Enforcement), and CA Homebuyers Down Payment Assistance Program. Funding will be used for new construction, acquisition of land, rehabilitation, and down payment assistance to lower income households.

Most of the State funding requires that each city or county has its General Plan Housing Element, approved and certified (in full compliance with state housing laws) with the State of California-Department of Housing and Community and Development (HCD). The City of Milpitas Housing Element was approved and certified by HCD in December 2002.

### California Housing Finance Agency (CHFA)

Milpitas will continue to explore a series of affordable housing programs offered by the California Housing Finance Agency. This agency was created in 1975 to help meet the State's need to provide affordable housing to low and moderate-income persons and families. CHFA provides below-market interest rate mortgage capital through the sale of tax-exempt notes and bonds. This agency provides below market rate financing for single family and multi-family housing as well as multi-family rehabilitation loans. CHFA has also recently offered funding through their Help Program.

### State Allocated Tax Credits- (Low Income Housing Tax Credit)

Milpitas will work with and assist developers in applying to the State for allocation of tax credits to finance low-income rental housing developments. The tax credits are syndicated to corporations in exchange for project equity.

### Mortgage Revenue Bonds

Milpitas can apply to the state for authority to issue tax-exempt mortgage revenue bonds for the purpose of funding affordable housing development. Milpitas has authorized tax-exempt mortgage revenue bonds to assist the developer at The Crossing Apartments at Montague to provide 94 very low-income housing units.

### Mortgage Credit Certificates (MCC's)

Milpitas has participated with the County of Santa Clara in its application to the state for an allocation of Mortgage Credit Certificates, which provide a tax credit to subsidize the mortgage interest rate for qualified first-time homebuyers. However, the overall number of MCC's in Santa Clara County has been substantially reduced over the past several years.

### Local Programs

#### Redevelopment Agency

The Milpitas Redevelopment Agency (RDA) has allocated approximately \$36 million the past several years to acquire, construct, and develop affordable housing within the City of Milpitas. To date, Milpitas' Redevelopment Agency has assisted in financing 977 affordable housing units.

• The Crossing Apartments at Montague	94 rental units	\$2 million
• Parc Metropolitan	28 for-sale units	\$1.5 million
• Parc Metropolitan	68 rental units	\$1 million
• Summerfield Homes	22 for-sale units	\$3 million
• Montevista Apartments	306 rentals units	\$3 million
• Terrace Garden	150 rental senior units	\$16 million

The following residential projects have been approved by the City of Milpitas (but not constructed by the developers) and will include affordable housing units:

Approved Projects (Not Constructed):

• Apton Plaza	19 rental units	\$1.2 million
• Parc North	58 for-sale units	\$3.7 million
• Edsel Court	4 existing rental units	TBD
• Town Center	20 units (16 for-sale/4 rental rehab)	\$1 million
• KB Homes	208 units (for-sale/rental*)	\$4.2 million

(\*) Including 98 unit rental Senior Apartment Complex

The Milpitas Redevelopment Agency will provide the following down payment assistance:

-Parc North	\$98,000/\$50,000 (very low and low-income)
-Town Center	\$50,000 (moderate-income)
-KB Homes	\$50,000 (moderate-income)

Also, it should be noted that City of Milpitas currently is in on-going negotiations with several developers to provide approximately 1,100 more housing units in which 20% of the units or 218 units are anticipated to be affordable to very low, low and moderate-income households. Milpitas will consider financial assistance for these future affordable housing projects.

Housing Rehabilitation Loan Program

This program funded from CDBG funds provides low interest rate loans and grants to low and moderate-income property owners through the Milpitas Housing and Rehabilitation Loan Program. The Housing Rehabilitation Loan Program provides up to 90% of the home equity value/per household for home improvements and repairs. Annual program income (revolving loan funds) goes back into the program to assist future low and moderate-income property owners.

Santa Clara County Housing Trust Fund

City of Milpitas has participated and financially supported the Santa Clara County Housing Trust Fund to raise \$20 million to construct a variety of affordable housing types for: 1) first-time homebuyers, 2) multi-family rental apartments and 3) housing and support services for the homeless population. Milpitas has allocated \$500,000 towards the Housing Trust Fund. The goal of the Housing Trust Fund is raise \$20 million and leverage these funds into \$200 million to provide:

- 800 units for First-time Homebuyer
- 3,000 Multi-Family Units
- 1,000 units for the Homeless

To date, a total nineteen (19) Milpitas First-time Homebuyer residents have received low-interest rate loans from the Housing Trust Fund of Santa Clara County.

### Second Mortgage Program

Milpitas has adopted a Second Mortgage Program to assist first-time homebuyers with their down payments on the several affordable housing projects including KB Homes, Town Center, and Parc North. Approximately \$6 million will be allocated from the City of Milpitas Redevelopment Agency 20% Low and Moderate Housing Set-Aside Fund to assist first time homebuyers with the down payment. The City of Milpitas is also negotiating with several other developers to increase the general affordable housing stock citywide. Future housing projects will include for-sale units for all income levels and additional senior affordable housing projects.

### Affordable Housing for MUSD Teachers

Milpitas has worked with Milpitas Unified School District (MUSD) to provide affordable housing units for qualified schoolteachers. One third (28 units) of the rental affordable housing units at Parc Metropolitan residential project has been allocated for MUSD qualified schoolteachers.

### Waiver of Development Fees for Affordable Housing Projects

Milpitas has continued to waive or subsidize a portion of development impact fees to support and encourage developers to provide affordable housing. To date, approximately \$4.5 million of development fees have been waived by the Milpitas City Council to increase the supply of affordable housing throughout the community. The Milpitas Redevelopment Agency has paid the waiver of development impact fees.

### Milpitas Mobilehome Park Rent Control Ordinance

Milpitas has 572-mobilehome park units located in four separate parks throughout the city. Since 1992, Milpitas has adopted a Mobilehome Park Rent Control Ordinance, which maintains affordable rents for resident tenants. The Rent Control Ordinance serves as a means to provide affordable housing units. Approximately 70% of the mobilehome park tenants are senior citizens.

### Private Resources

#### Private Lending Institutions

Milpitas will continue to encourage private lending institutions to become involved in assisting in the development of low and moderate-income housing. The Community Reinvestment Act (CRA) encourage and assists the institutions they regulate to assist affordable housing projects. Milpitas has worked with National City Mortgage Company to provide funding for the 28 for-sale units at Parc Metropolitan and has executed a restriction agreement for 58 new additional affordable housing units.

### Geographic Distribution

All of the proposed activities for fiscal year 2004-2005 will be implemented Citywide and will not be targeted to any particular areas of the City. However, minority groups will benefit from CDBG resources from particular programs, services, and housing activities as needed. The specific geographic areas in which Milpitas will provide direct assistance with CDBG funds during the 2004-2005 fiscal year contains high concentrations of minority population including Asians, Hispanics and Blacks.

The rationale for targeting these minority groups for allocating CDBG funds are based on financial, social, and economic needs of several working class neighborhoods. These neighborhoods such as Sunnyhills, Selwyn, Shirley and Dempsey Road, Temple and Calaveras Blvd. have high concentrations of minority populations. They have and will continue to benefit from the allocation of CDBG funds through the Housing Rehabilitation Loan Program, Stay and Play and Camp After School Program, Live Oak Adult Day Services, Milpitas Food Pantry, India Community Center, Next Door Solutions, Filipino American Opportunity Development and Project Sentinel.

The site improvements at Selwyn Park, which will include replacement of playground equipment, resurfacing of basketball court, replacement of pathways, and ADA compliance will benefit this minority neighborhood.

The City of Milpitas provided CDBG funding to purchase modulars, renovations, and site improvements at the interim Milpitas Senior Center, while Milpitas prepares plan to construct a new Senior Center. Additional funding in FY 2004-2005 is proposed to include food services equipment for the Senior Nutrition Program and wireless listening assisted devices for senior programs.

According to the 2000 Census, Milpitas Minority Population consisted of the following:

<u>Ethnic Groups</u>	<u>Total Population</u>	<u>% of Total Population</u>
Black or African American	2,295	3.7
American Indian/Alaska Native	338	0.6
Asian	32,482	51.8
Native Hawaiian/Pacific Islander	393	0.6
Hispanic or Latino (of any race)	10,417	16.6
(White-Non Minority Population)	19,353	30.9

According to the State of California, Department of Finance, City of Milpitas population for 2003 was 65,000. This presents an increase from 63,700 (2%) in 2002.

### Leveraging Plan

For all CDBG programs and activities funded by the Milpitas will support applications by other entities for public and private sources of funding. In the case of matching requirements for a funding source, Milpitas will utilize its CDBG funding and other local funds as available and appropriate. To maximize leveraging of its own funds and increase the funds available for housing, Milpitas plans to continue the following activities:

- Support the purchase, rehabilitation and construction of affordable units by non-profit and for-profit housing developers and to provide financial assistance whenever possible.
- Provide support and encourage non-profit, community based housing developers and service providers to low and moderate-income person(s) and households.
- Promote private sector rehabilitation with the CDBG Housing Rehabilitation Program.
- Promote joint development with other governmental or quasi-governmental agencies to implement community development programs.

Milpitas has also participated in joint projects such as the Countywide Fair Housing Report, Santa Clara County Housing Trust Fund and Emergency Housing Consortium Shelter, Homeless Runaway Youth Housing and Countywide Fair Housing Task Force projects. City of Milpitas will also participate in the Santa Clara County "Affordable Housing Fair 2004" held on April 3, 2004, sponsored by the Santa Clara County Association of Realtors (see attachment). These are just a few examples of how the City of Milpitas has leveraged its funds to address housing needs and other support services.

### Part II: Activities to be Undertaken

Milpitas has participated in the Community Development Block Grant Program for the past twenty-seven years, and is completing its eighth-year as an entitlement city. Increased funding as an entitlement city has allowed Milpitas to expand or consider creating programs, which will further enhance the quality of life for its citizens.

It is anticipated that Milpitas will receive \$711,000 from HUD upon the acceptance of this Action Plan and the accompanying certificates for FY 2004-05. Furthermore, it is anticipated that Milpitas will receive approximately \$50,000 program income from regular scheduled payments made on past housing rehabilitation loans. The total estimated CDBG funding for FY 2004-2005 would be approximately \$761,000.

### Homeless and Other Special Needs Activities

For fiscal year 2004-2005, Milpitas has committed a portion of its Community Development Block Grant Program funds to non-profit agencies providing services to the homeless, those at-risk of being homeless and homeless households with children or other special needs.

A narrative is provided below of the activities that are aimed at assisting the City's homeless population.

To address emergency shelter and transitional housing needs of homeless individuals and homeless families, Milpitas will continue to:

- Continue to support the Emergency Housing Consortium, which will be constructing-Shelter for Homeless and Runaway Youths. The project consists of Phase I-relocation and renovation of a historic home for the program service area, 22 spaces for underground parking. Phase II- **10** emergency beds, a full service day center, classrooms, **and 12** beds of transitional housing and **20** beds for permanent affordable housing. It is anticipated that this facility will serve **500** youths annually.
- Provide CDBG funds to the Emergency Housing Consortium (EHC) for providing temporary shelter to homeless individuals and transitional housing for Milpitas residents. EHC has provided **4,350 nights of supportive shelter to 62 unduplicated homeless Milpitas residents**. Milpitas has also provided CDBG funding to EHC for the past 17 years, including the development of a 50-unit shelter (224 beds) for the homeless, former homeless and at risk low-income families.
- Support the operation of the local rotating shelter program operated by Emergency Housing Consortium, which provides shelter for homeless Milpitas residents.
- Live Oak Adult Day Services, which provides adult day care for **14** frail, dependent at-risk senior residents in Milpitas day care facilities. Caregiver respite and support services includes, case management, counseling and referrals and socialization opportunities.
- Monitor the risk of the Sunnyhills Apartment Complex being converted to fair market rate units. Milpitas will also work with the property owners, local non-profits, Santa Clara County Housing Authority, and HUD to maintain the complex as affordable shared housing and thus prevents the displacement of the existing residents.
- Fund Catholic Charities Housing Programs, which provides **30 individuals/15 households** housing services to assist very low and low-income persons and households, find affordable housing. Approximately 80% of the shared housing for Catholic Charities is female-headed households.
- Fund Project Sentinel, which operates a tenant/landlord mediation program, which helps resolve over **900** tenant/landlord, disputes and prevents unnecessary evictions of tenants and **400** fair housing issues. This program also provides tenants with information and referral services on tenant/landlord issues.

In order to help homeless persons, including those with special needs, to make the transition to permanent housing and independent living, the following activities will be carried out:

- Milpitas will continue to fund the operation of a variety of support services. These services help individuals with basic necessities until they are able to provide for all of their needs on their own. They include the Second Harvest Food Bank, Milpitas Food Pantry (which provides food to over **1,420 households in Milpitas**), Milpitas Senior Nutrition Program and Alum Rock Counseling Center-Crisis Intervention Program. These services include providing free bags of food to low-income households, counseling, and information and referral assistance to help individuals find services most suited to their particular needs.

### Activities to Assist Non-Homeless Persons with Special Needs

#### Senior Citizens

- Senior Adults Legal Assistance program provides free civil legal services to **38** senior citizens within Milpitas.
- Economic and Social Opportunities (ESO) provides housing services to **38** seniors to reduce health and safety hazards enhance accessibility for disabled persons and improves home energy efficiency within Milpitas.
- Through the funding of Catholic Charities-Independent Living Senior Services Program, **64** seniors will be provided services specific to their needs in order to assist them to remain independent in their homes for as long as possible.
- Milpitas Senior Center provides limited transportation, nutrition program, and a variety of recreational activities for senior citizens.
- Milpitas Senior Center renovations and site improvements which includes: 1) enlarged kitchen area, 2) expansion of class and game room area, 3) relocation of storage and staffing offices, 4) repair and replacement of roofing, 5) accessibility improvements, and revised signage. Milpitas' total senior population would benefit from these improvements. Also, future improvements will include food service equipment for the Senior Nutrition Program and wireless listening assisted devices for senior programs.

#### Female Headed Households and Victims of Domestic Violence

- Next Door Solution provides shelter for up to 30 days for battered women and their children who are in immediate danger and have no where else to turn. A total of **169** Milpitas residents are anticipated to benefit from these services.
- Support Network for Battered Women provides 24-hour comprehensive services to battered women and their children. A total of **24** Milpitas residents are anticipated to benefit from these services.

## Youths

- City of Milpitas Stay & Play After School Program provides assistance to **266** very low low-income families to participate in a variety of educational and recreational programs in Milpitas.
- City of Milpitas Camp Stay & Play Program provides assistance to **200** very low and low-income families to attend summer recreational camp during non-school months.
- City of Milpitas Recreation Assistance Program will provide subsidies to low income youths and seniors to participate in Milpitas recreational programs, services and activities. A total of **320** low-income youths and seniors/**80** households will benefit from these services.
- Asian Recovery Center provides substance abuse prevention, intervention and treatment, case management, to **150** individual and group counseling, and also social/recreational activities to Asian and Pacific Islander youths in Milpitas.

## Other Actions

The most significant obstacle to addressing the undeserved needs for fiscal year 2004-2005 is the lack of sufficient federal, state, and local funds to carry out all the necessary programs, activities and projects.

## Remove Barriers to Affordable Housing

For fiscal year 2004-2005, Milpitas will continue to work with agencies involved in carrying out affordable housing projects. Milpitas will support and assist through neighborhood and tenant community meetings, flyers, cable TV, and City's website to inform the public about the proposed housing projects and support housing services.

Milpitas will continue to provide CDBG funds to Project Sentinel who provides information and dispute resolution services to Milpitas tenants, mobilehome owners and landlords. Milpitas will continue to monitor its long-term restriction agreements for affordable housing compliance.

Milpitas will continue to implement its Mobilehome Rent Control Ordinance (1992), which limits the increase in rents that can be charged to tenants. Approximately 70% of tenants in the mobilehome parks are senior citizens.

Milpitas will continue to review its permit-processing procedures to assist in expediting the review and approval of all affordable housing developments. Milpitas has addressed governmental constraints to housing within its updated Housing Element. Milpitas has adopted its General Plan Housing Element, which establishes the five-year housing goals, policies and objectives, and the Midtown Specific Plan, which will assist in developing approximately 5,000 mixed types of

housing units to meet the ABAG Regional Fair Share Allocation. Appropriate densities (up to 60 dwelling units/per acre with ¼ mile of Transit Overlay Districts and 40 to 20 dwelling units per acre in other areas- minimum densities permitted), are including to provide multi-family housing for large and extended family households.

Also, in December 2002, the Milpitas General Plan Housing Element has been reviewed by the State of California, Department of Housing and Community Development (HCD) and found to be in full compliance with the State Housing Laws. The Housing Element is a comprehensive long-term plan to address the housing needs of Milpitas. The document identifies and analyzes the existing, and projected housing needs of the City and states goals, policies, quantified objectives and implementation programs for the preservation, improvement and development of housing.

### **Analysis of Impediments to Fair Housing Report (AI Report)**

The City of Milpitas has approved and adopted its Analysis of Impediments to Fair Housing Report, which examines policies, and practices, limiting a resident's ability to choose their housing in an environment free from discrimination. The AI report identified a series of recommendations that the City has implemented to reduce discrimination in housing. These recommendations include:

1. **Cultural Differences**-Ensure that community programs and services continues to accept and embrace cultural differences.
2. **Local Planning and Affordable Housing**-Continue to pursue local planning efforts to provide more affordable housing and explore creative solutions, which will prepare for unplanned transitions to higher rents.
3. **Land Use and Zoning**
  - a. Revise City's code definition of family.
  - b. Maintain awareness of HUD policy and update code if necessary for group homes.
4. **Banking and Lending**-Obtain more reliable data through the use of Project Sentinel that will test for fair lending practices.
5. **Advertising**-Monitor and inform local newspapers on placing ads that use white models only for real estate advertising.
6. **Training of Local Fair Housing Services**-Increase outreach efforts to educate Service Providers on social awareness about housing discrimination in the community.

The City of Milpitas will take the following actions to address the recommendations in the AI Report:

1. **Cultural Differences**-Milpitas will continue to embrace the cultural diversity of its residents. Milpitas Senior Center offers a variety of different recreational services to senior citizens, which include ethnic celebrations for various cultures, arts and crafts, and special lunches. Previously, Milpitas conducted a community meeting on the Senior Needs Assessment Study. The meeting was conducted in three different languages (Chinese, Vietnamese, and Filipino) at

the Milpitas Senior Center for the benefit of the participants. Milpitas Recreation Division holds several ethnic celebrations and festivals (i.e. Global Village Festival) throughout the year to embrace ethnic diversity in the community.

Milpitas offers Thai Chi Chih (reduce stress relaxation exercises), and Shiatsu Massage classes. Milpitas also translates many flyers, brochures, and other forms of outreach and advertising (including fair housing programs and services) in several languages.

Milpitas funds a variety of agencies that provides services to different cultural groups such as Asian American Recovery Services, Filipino American Opportunities Development, and Indo American Community Service Center. The City will continue to fund and encourage these types of programs and activities among different cultural groups.

2. **Local Planning for Affordable Housing-**Milpitas has worked with housing developers to produce 977 affordable housing units with long-term affordability restrictions for very low, low and moderate-income households. Incentives such as waiver or subsidy of development impact fees, density bonus ordinance, use of redevelopment agency funds for grants and loans have been used to encourage developers to construct affordable housing.

Milpitas has recently adopted its General Plan Housing Element update, which has been sent to the State of California, Department of Housing and Community Development (HCD), for the required 60-day public review period for comply with state housing laws. Milpitas met 82% of its previous regional housing allocation in comparison to 56% for the entire Bay Area and 52% for jurisdictions in Santa Clara County.

3. **Land Use and Zoning-**To date, Milpitas has zoned over 500 acres of land from commercial, industrial for housing developments. Milpitas has expedited those applications proposing affordable housing developments during the review process. Milpitas has taken several land use and zoning actions to develop and encourage affordable housing including: 1) adoption of a density bonus ordinance to encourage multi-family developments, 2) expediting development applications for affordable housing projects, 3) providing CDBG grants to Service Providers for transitional and permanent housing for the homeless, 4) negotiated with private developers on providing affordable housing units in their private development projects, 5) waiving and/or subsidizing development fees to off-set the cost to provide affordable housing units, 6) adoption of a rent control ordinance to maintain affordability for 572 mobilehome units, 7) provide informational seminars on affordable housing and 8) allocating redevelopment funds to assist in providing affordable housing units.

The Milpitas Midtown Specific Plan has been reviewed and approved by the Milpitas Planning Commission and City Council. The intent of the plan will be to develop approximately 5,000 dwelling units to assist the city in meeting its ABAG's Regional Fair Share Housing Allocation. Approximately, 1,000 acres of land has undergone land use changes for housing and commercial and industrial development.

4. **Banking and Lending Practices**-Milpitas continues to worked with Project Sentinel to obtain more reliable data through the use of a program to test for fair housing lending practices.
5. **Advertising**- Milpitas will continue to monitor discrimination in local housing advertisements that uses unfair models. Milpitas has worked with Project Sentinel to provides fair housing services which includes flyers, brochures (in different languages), educational materials to local newspapers, meeting with local landlords to explain tenant/landlord fair housing rights, etc. Milpitas will also continue to monitor other forms of discrimination relating to people with disabilities, familial status, families with children and senior citizens.
6. **Training of Local Fair Housing Services**- Milpitas will continue to increase its outreach efforts to inform the general public about the availability of fair housing services that are provided by Project Sentinel. Also, increased efforts will be made to educate service providers so that they can effectively refer a victim of housing discrimination to the appropriate agency.
7. **Flyers and brochures on fair housing services** are presently available at City Hall. Monitoring of housing service providers includes discussions on their outreach effort and promoting fair housing.

The CDBG cities within Santa Clara County and the County have prepared a Countywide Fair Housing Report to address a variety of fair housing issues. The report will identify causes, impacts, alternative actions and recommendations. Also, the cities and County of Santa Clara has established a Countywide Fair Housing Task Force to address the recommendations in the report.

The City of Milpitas has currently contracted with the Project Sentinel to update the existing Analysis of Impediments to Fair Housing Report. It is anticipated that the report will be completed in July 2004.

#### **Enhance Coordination between Public and Private Housing and Social Service Agencies**

Milpitas will continue to encourage housing-related organizations to work together, collaborate and share their expertise with one another, especially those agencies that provide and manage housing, and social services.

#### **Program Specific Requirements Funds Expected to be Available**

##### **CDBG**

2004-2005 Entitlement Grant	\$711,000
Program Income FY 2004-2005	<u>\$50,000 (*)</u>
Total:	\$761,000

\*Estimated Program Income from the Single Family Housing Rehabilitation Program

### **Evaluate and Reduce Lead-Based Paint Hazards**

The City of Milpitas will continue to enhance public sector efforts to inform private property-owners about the hazard of lead based paint. Risk assessment and hazard reduction can be more easily accomplished while performing other major repair work (i.e. rehabilitation repairs and improvements). The major obstacle to most mandated programs continues to be cost. Milpitas will continue to work with representatives from the city and county, housing organizations, public health agencies, children's advocacy groups, tenant and property owner's organizations and private physicians to address this matter. The continuing goals are to identify and inform property-owners of public and private resources available to reduce or abate lead based paint.

Because of the age of the Milpitas housing stock (approximately 60% of the units within Milpitas were built after 1970), Milpitas' housing stock is relatively new and contains very little lead base hazardous material. The City of Milpitas will continue to work with the County of Santa Clara Environmental Health Department, as additional funding becomes available, in the design and implementation of programs related to the detection, abatement, prevention and education of the incidence of lead based paint in the housing stock.

Presently, Milpitas along with several other CDBG cities in Santa Clara County are working with HUD to establish adequate capacity to comply with the Lead-Based Paint Rule (24 CFR Part 35). This task includes identifying trained, licensed, and certified personnel to conduct lead-based paint inspections, housing rehabilitation projects that will require inspections and funding sources. Milpitas has started to negotiate with local contractors and establish a process to address lead based paint in housing units. Milpitas has allocated \$60,000 of CDBG Housing Rehabilitation Administration to implement its Lead-Based Paint Program. To date, Milpitas has spend over \$3,500 on eight single-family rehabilitation homes to conduct environmental testing for lead based paint prior to performing the required single-family rehabilitation home repairs and improvements.

Milpitas has also received from the County of Santa Clara a copy of their "hot zones" map which overlays three different indicators: (1) housing built before 1950, (2) poverty and (3) children under the age of six (based on census tracts) to identify areas where the risk of lead poisoning is the highest. Nearly all of the reported cases of lead poisoning in the county came from the "hot zones".

### **Reduce the Number of Poverty Level Families**

Milpitas will continue to support a variety of other support services used by low-income households to make ends meet. The main goal shall be to prevent very low-income persons, especially, those earning 30% or less of median income from becoming homeless. The long term goal is to provide more affordable housing options and economic opportunities so this group is not forced to pay most of their available income for housing with little left over for other needs (child care, transportation, food, health care, etc.) For fiscal year 2004-2005, Milpitas will continue to

support agencies such as Second Harvest Food Bank, Milpitas Food Pantry, and Milpitas Nutritional Program for senior citizens.

Economic and Social Opportunities will provide housing services to correct health and safety hazards, enhance accessibility for disabled people and improve energy efficiency to make housing cost more affordable for seniors on fixed-incomes.

Milpitas also obtains Quarterly Statistical Data of Public Families from the County of Santa Clara to monitor and track the number of Milpitas residents that are involved with CalWORKS, other social services and public assistance demographics to determine where the greatest need for CDBG funds. Several key categories such as CalWORKS and Medi-Cal caseloads have been slightly reduced from the past year for Milpitas residents. A total of 430 CalWORKS cases (or 3% of the total in Santa Clara County) are Milpitas households.

#### Develop Institutional Structure

Milpitas will continue to work with and support non-profit organizations, which provide programs and services to low and moderate-income households. Milpitas will also continue to work with private industries, in particular financial and development groups, to encourage the development of affordable housing opportunities in Milpitas.

### **PART III: STRATEGIC PLAN-FY 2004-2005**

Milpitas will continue to encourage local housing social service providers to pursue all available public and private funding to achieve the goals identified in the Consolidated Plan. It is anticipated that funding from a combination of federal, state and local resources will be used to pursue a majority of the identified strategies. Funding resources will be coordinated and leveraged whenever possible to maximize their potential. Milpitas plans to use available programs, services, and special initiative resources in a coordinated and integrated manner to achieve its affordable and supportive housing goals, as well as an expansion of support activities and programs related to assisting low-income families and individuals.

#### **Summary**

The following is a summary of Milpitas priorities and plans to be pursued over the next one year of the Consolidated Plan. It was derived from the overall analysis of needs, market and inventory conditions as described in the Consolidated Plan. These plans take into consideration the following factors revealed in the analysis of Milpitas Housing Affordability, Availability and Adequacy:

- In 2002, Milpitas Consolidated Plan and Housing Element has been approved by HUD and State of California, Department of Housing and Community Development (HCD) which establishes comprehensive long-term policies, goals, and objectives to meet Milpitas housing needs and the City's (ABAG's) Regional Fair-Share allocation of 4,348 units.

- The Area Median Income in Santa Clara was \$105,500 (2004).
- Milpitas average household size is 3.47 and average family size is 3.72, both are the highest in Santa Clara County (2002 Census).
- City of Milpitas Percentage of Total Population in Poverty was 5% (655 Households-2002)
- City of Milpitas has 977 affordable below market rate housing units with long-term affordability restriction agreements.
- In 1992, City of Milpitas adopted a Rent Control Ordinance for Mobilehome Parks in which governs 572 units. Seventy percent (70%) of Milpitas mobilehome park residents are senior citizens.
- Median price home in Santa Clara County was \$559,000, up 11.9% increase from \$492,000 in 2002.
- Milpitas greatest needs for affordable housing is Renters with income levels between 31%-50% of the area median income, Renters with large families (5 persons or more), Persons with Special Needs (disabled, homeless, seniors, female-headed households HIV/AIDS and drug and alcohol addictions)
- The number of renters and specifically senior citizen low-income households that pays more than 30% of their income for rent. A significant number of senior's pay more than 35% of their income for housing
- Milpitas has rezoned approximately 1,000 acres of land through its Midtown Specific Plan Area to, accommodate approximately 5,000 units, to meet its regional fair share of housing (4,348 units)
- Milpitas has 17,122 occupied housing units (11,953 owner-occupied and 5,179 renter-occupied) (2000 Census)
- Milpitas housing vacancy rate was 1.3 % (232 units) as identified in the 2000 Census. The homeownership rate was 0.4% in comparison to 2.1% for rental. (2000 Census)

Milpitas must direct its Federal, State and local resources to housing programs and activities that directly benefit very low and low-income households. In-fill development and accessory units will be encouraged. More attention will be directed to the needs of extremely low-income individuals and households. Milpitas will continue to explore innovative resources to aid in development of affordable housing and support services to benefit lower income households.

### **Priority Analysis and Strategy Development**

This section reviews the fiscal year 2004-2005 Milpitas plans and priorities to be pursued over the next year and how they relate to the Consolidated Plan (July1, 2002-June 30, 2007), in addressing the needs identified in the Housing and Homeless Needs Assessment. Milpitas Consolidated Plan has been sent to HUD in June 2002. In December 2002, the Housing Element was reviewed by State of California, Department of HCD and was found to be in full compliance with state housing laws.

The Consolidated Plan Priority Needs Summary rates the Milpitas priorities. Those activities not anticipated to be a priority would be provided no assistance. The rationale behind the general

priorities established for allocating Federal, State and local resources within the City is based upon review of Milpitas needs which shows that extremely low income renters, senior citizens and other special needs groups have the most difficulty finding affordable housing, employment, and other support services.

The Consolidated Plan Priority Needs Summary shows the “high” priority will be given to providing assistance to very low and low-income households and to homeless individuals and families and other persons of special needs, as well as activities aimed at preventing homelessness.

A “Medium” Priority is given to assisting low-income households in a wide variety of housing and support services.

A “Low” Priority is given to those groups currently small in number or least in need of assistance. However, should additional funding become available, the City will implement programs and activities as appropriate.

**Strategy 1: Continue to provide funding to non-profit agencies and organizations, which serve the very low and low-income Milpitas residents and the homeless**

Milpitas will continue to provide funding to those non-profit agencies and organizations, which provide housing and other support services to very low and low-income households. Agencies and organizations such as Asian-American Recovery Services, Catholic Charities, Emergency Housing Consortium, India Community Center, Milpitas Food Pantry, and Second Harvest Food Bank, which are funded through the City of Milpitas Community Development Block Grant Program will be encouraged to provide services to low-income households in Milpitas, especially, those households with special needs for affordable housing and services.

Fiscal Year 2003-2004 included funding for the Emergency Housing Consortium will be constructing Shelter for Homeless and Runaway Youths. The project consist of relocation and renovation of a historic home for the program service area, 22 spaces for underground parking, 10 emergency beds, a full service day center, classrooms, 12 beds of transitional housing and 20 beds for permanent affordable housing. It is anticipated that this facility will serve 500 youths annually.

**Strategy 2: Rehabilitation of substandard units will be encouraged and financial assistance will be provided whenever possible**

The Milpitas Housing Rehabilitation Loan Program is funded by CDBG. The program will continue to assist low-income households.

Milpitas is exploring apartment rehabilitation and has identified several multi-family projects, in need of improvements and repairs. Milpitas will explore other types of funding sources (i.e. Home, Section 108, etc.) to finance the apartment rehabilitation program. Milpitas' Code Enforcement Section and Building Division will continue to abate substandard housing conditions in affected

units. The Code Enforcement Section will continue to respond to citizen complaints regarding housing code problems and Project Sentinel will continue to provide mediation and negotiate tenant and landlord disagreements.

### **Strategy 3: Conservation of Existing Affordable Housing Stock**

Milpitas will continue to encourage the conservation of the rental housing stock because rental units are the most affordable housing for lower income households. Milpitas will assist local non-profits with regulatory and technical issues as well as to help identify potential funding resources.

The Santa Clara County Housing Authority (SCCHA) administers the Section 8 Program. Milpitas will continue to work with the Housing Authority to maintain the existing Section 8 subsidy levels and to encourage additional subsidies for Milpitas residents whenever possible. As previously mentioned, Milpitas is exploring the development of an apartment rehabilitation program.

A total of 628 Milpitas residents have vouchers and are living in Section 8 units. Another 104 residents are on the waiting lists.

Milpitas will maintain its existing Mobilehome Rent Control Ordinance to ensure the continued affordability to the 572-mobilehome units. Approximately 70% of the tenants at the mobilehome parks are low-income senior citizens. Milpitas will also assist, as feasible, a local non-profit or tenant organization in the buyout or conversion to tenant ownership if such a proposal is presented.

Milpitas Neighborhood Beautification Ordinance (NBO) has also established program guidelines and award programs for maintaining and improving the general housing stock in individual neighborhoods.

### **Strategy 4: Participation by the Private Sector in Development of Affordable Housing**

Through alternative financing programs in the public and private sectors, whenever possible, Milpitas will encourage developers (non-profit and for-profit) to leverage their funding to the furthest extent possible. Several non-profit and for-profit developers have expressed interest in working with the City to develop a Senior Housing Project. Milpitas has provided \$500,000 in funding for the Santa Clara County Housing Trust Fund to raise \$20 million (with the goal to leverage this funding to \$200 million) to assist 5,000 families in affordable housing. This allocation would provide approximately 3,000 affordable rental apartments, support 800 first-time homebuyers with down payment assistance, and serve more than 1,000 homeless individuals and families through housing and support services. A large portion of the funding has been provided from several major high-tech corporations in Silicon Valley such as Intel, Applied Materials, and Cisco Systems.

To date, nineteen (19) Milpitas First-time Homebuyers residents have received very low interest rate loans to purchase a home within Milpitas. Milpitas has also worked with National City

Mortgage Company to provide low interest rate loans for the 28 first-time homebuyers at Parc Metropolitan.

Milpitas has also provided financial assistance and other incentives (density bonus ordinance, waiver of development fees, etc.) to private developers to encourage the construction of affordable housing projects.

### **Housing Bond Advisory Committee**

Milpitas participates in the County of Santa Clara Housing Bond Advisory Committee which established a permanent funding pool for affordable housing projects within Santa Clara County.

### **County of Santa Clara-Office of Affordable Housing**

County of Santa Clara has established an Office of Affordable Housing. This agency will be working with the local jurisdictions to address the affordable housing needs countywide. The City of Milpitas will be an active participant in the Office of Affordable Housing.

### **Strategy 5: Provision of Equal Housing Opportunities**

Milpitas will continue to provide financial support to programs that provide fair housing and counseling services to Milpitas residents including “Project Sentinel” and other of similar programs. Milpitas has prepared and continues to implement its Analysis to Impediments to Fair Housing Report, which identifies potential barriers to obtaining fair housing. The Cities within Santa Clara County and the County have prepared a countywide Supportive Housing Initiative Report to assist in addressing several issues including constraints to affordable housing and removing housing barriers.

### **Strategy 6: Other Processes and Procedures to be reviewed to Prohibit or Negatively Impact Affordable Housing Opportunities**

#### **In-Fill Development**

Milpitas will continue to review in-fill development sites to determine their appropriateness for multi-family developments. However, the amount of land available for in-fill development has

been reduced over the number of years to accommodate various types of development, including affordable housing projects. The Midtown Specific Plan has assisted on developing in-fill development parcels of land that can accommodate future housing developments.

### **Provision of Sufficient Land Zoned for Multi-Family Units**

Over the past several years, Milpitas has identified approximately 500 acres of land that has been rezoned for housing sites. Milpitas is presently updating and revising its General Plan Housing Element as required by State of California Housing Element Law. The Housing Element will identify appropriate housing sites to provide general plan amendments and underline zoning changes to increase the density on parcels of land to accommodate future high-density multi-family developments. In December 2002, State of California, Department of Housing and Community Development approved the Milpitas Housing Element. Also, Milpitas Midtown Specific Plan proposes land use alternatives to 1,000 acres of land, which would accommodate a variety of housing types in the range from approximately 5,000 housing units.

### **Density Bonus Ordinance**

Milpitas will continue to implement Density Bonus Ordinance allows a developer to obtain concessions and incentives (financial and reduction of development standards) for developing very low, low income, and senior citizens housing projects. The units must remain affordable for at least thirty 30 years and are guaranteed through deed restrictions. Milpitas has granted financial concessions in the form of reduction in park, building and plan checking fees. Milpitas has also granted reductions in development standards (required parking, setbacks, park dedication, etc.) to accommodate affordable housing developments.

### **In Lieu Housing Impact Fee Ordinance**

Currently, the City of Milpitas will be considering the adoption of an In-Lieu Housing Impact Fee Ordinance with the goals of providing 20% of each residential development to be affordable to various lower income levels. A Housing Trust Fund will also be established to allow smaller residential developers the opportunity to provide affordable housing units or pay the in-lieu fee, if it is determined that they are unable to provide the affordable units.

### **Waiver of Development Fees**

The Milpitas City Council will continue to consider requests to waive or subsidize City development fees to assist in reducing the cost to developers that develop affordable housing units. These fees include building and fire permits, plan checking, parkland dedication, water and sewer, school impact and traffic mitigation fees controlled by the City, and cost of entitlement applications.

### **Homeless Facility Sites**

The City will continue review its current Zoning Ordinance to consider the provisions of emergency housing facilities and transitional housing facilities in specific zoning categories (i.e. residential, commercial, industrial).

## **Procedural Reforms**

Milpitas will continue to review its development procedures and recommend appropriate changes to facilitate the construction of affordable housing units. All internal governmental constraints to expedite approval of affordable housing projects will be reviewed and addressed in a timely manner.

## **Modification to Development Standards**

Milpitas will continue to review its development standards and recommend modifications to development standards, which pose an unnecessary impediment to the construction of affordable housing units.

## **Institutional Structure**

Milpitas will continue to implement financing affordable housing and supportive housing strategies through the Building, Planning, and Neighborhood Services Divisions. The development process has been reviewed to become streamlined to expedite and promote “fast-tracking” of affordable housing projects.

Milpitas will continue to work with other cities and the County of Santa Clara to address the issues of homelessness and other regional issues. Several collaborative efforts involved all of the cities and the County of Santa Clara such as the Second Harvest Food Bank and Catholic Charities. Milpitas has participated (data and funding) in the Countywide Homeless Survey. The majority of housing strategies will be accomplished by supporting non-profit organizations providing programs and services to low and very low-income households. Milpitas will also work with private for-profit industry, in particular financial and development groups, to encourage the development and affordable housing opportunities in the City.

## **Overcoming Gaps**

There are a number of gaps in program and service delivery. There is a need to improve coordination of services on a Citywide and Countywide basis and increase funding available to provide adequate services. The CDBG entitlement cities and County of Santa Clara staff continue meeting to discuss data, resources and other ways to coordinate requests for information to both the public and private countywide agencies. These meetings have been beneficial to help better understand the County and the non-profit social service structure. HUD also continues to meet with this group of cities and the County to clarify issues and assist in our planning process and efforts.

## **Monitoring of CDBG Subrecipients**

Milpitas continues to monitor the activities and programs of its Subrecipients that receive CDBG funding. Monitoring visits are scheduled in advance by staff to meet and address the following issues:

- Meet and discuss with Subrecipients their annual goals and objectives.
- Review their financial reports and supplemental documentation to insure that the CDBG funds are being used and allocate appropriately.
- Conduct CDBG Workshops to assist new CDBG Subrecipients on the program regulations, requirements, and other technical assistance.
- Identify areas of improvement to increase the level of communications between the City and its Subrecipients.
- Assist Subrecipients on obtaining additional funds and new resources to carryout programs and services.

It is anticipated that these actions stated above would be useful to further the overall goals and objectives identified throughout the Milpitas 2004-2005 Action Plan and the five-year Consolidated Plan.

### **Citizens Participation Process**

On April 20, 2004, City of Milpitas held a public hearing on the adoption of the Milpitas 2004-2005 Action Plan to obtain public comments prior to the final adoption and submittal to HUD. Public notices of the meeting were placed in the Milpitas Post for the required 30-day review period (March 5, to April 5, 2004) prior to the hearing date and letters were sent out to over 22 Public Service and Housing Providers to comment on the draft Action Plan. Attached is a list of Public Service and Housing Providers that received letters. No comments were received during the public review period.

The goals and objectives identified in the Draft and Final Action Plan are in full compliance with the local policies and procedures adopted in the Milpitas Citizen Participation Plan. The following dates and schedule allow maximum citizen participation in the review of the Milpitas 2004-2005 Action Plan:

#### **January 1, 2004 to January 15, 2004**

Advertise Request for Community Development Block Grant proposals in the Milpitas Post Newspapers. Notices were also included in the City's Cable TV and Web Site.

#### **January 2, to February 2, 2004**

CDBG application period opened for 30 days to receive applications.

#### **February 19, 2003**

Advertised for Community Advisory Committee (CAC) meeting to review CDBG application proposals (Meeting Date: March 3, 2004).

#### **March 5, to April 5, 2004**

Advertised for 30 days to provide the general public the opportunity to review and comment on the Draft Action Plan. Also, copies of the plan were sent to Service and

Housing Providers and other interested parties. Copies were available in the Milpitas Public Library, City Hall Information Desk and Community Development public counter at City Hall.

**March 25, 2004**

Advertised for City Council review of CDBG Funding Proposals and adoption of Draft Action Plan (City Council Meeting: April 20, 2004)

**April 20, 2004**

Milpitas City Council holds public hearing to obtain input and comments on the Draft Action Plan and Adopts Final Action Plan.

**May 15, 2004**

Submit Final Action Plan to HUD

**August 10, 2004 to August 25, 2004**

Public Comments Period Starts for Consolidated Annual Performance and Evaluation Report (CAPER) for FY 2003-2004.

**September 24, 2004**

Submit Consolidated Annual Performance and Evaluation Report (CAPERS) to HUD.

City of Milpitas  
Action Plan-Community Development Block Grant (CDBG) Activities  
Fiscal Year 2004-2005

**Community Development Block Grant: Planned Activities (Public Services)**

1. **Alum Rock Counseling Center (\$5,000)**-Provides 24-hour mobile crisis intervention counseling services for low-income minority at-risk youths and their families residing in Milpitas. Approximately 30 Milpitas residents will benefit directly from these services (CW).
2. **Asian American Recovery Services, Inc. (\$5,000)**-Provides substance abuse, prevention, intervention and treatment services to Asian and Pacific Islander youths and their families residing in Milpitas. Approximately 150 Milpitas residents would benefit from these services (CW).
3. **Catholic Charities of Santa Clara County (\$5,000)**-Provides housing services to single parent families' primary very low and low-income persons at-risk of becoming homeless. Approximately 30 Milpitas residents/15 households would benefit from these services (CW).
4. **Catholic Charities Long Term Care Ombudsman Program (\$5,000)**-Provides 6 long term care facilities through regular visits by training certified community volunteers who respond to complaints of elderly residents. Approximately 64 Milpitas residents would benefit from these services (CW).
5. **City of Milpitas Recreation Services Stay & Play After School Program (\$5,333)**-Provides 50% subsidy for very low and low-income children to attend after schools recreational care program. Approximately 266 children will benefit from these services (CW).
6. **City of Milpitas Recreation Services Camp Stay & Play (\$5,500)**-Provides 50% subsidy to very-low and low-income children to attend summer recreational camp during non-school months. Approximately 200 children will benefit from these services (CW).
7. **City of Milpitas Recreation Assistance Program (\$11,297)**-Provides 50% subsidy to very-low and low-income youth and senior recreational programs, services, and activities. Approximately 320 youths and seniors will benefit from these services (CW).
8. **Emergency Housing Consortium (\$5,444)**-Provides shelter and support services to homeless men, women and families with children to help break the cycle of homelessness. This project provided 4,350 Person Shelter Days (PSD) to 62 unduplicated Milpitas residents (CW).

- 9. Filipino American Opportunities Development Council, Inc. (\$5,000)**-Provides services to very low-income Filipino and Indo American seniors and Filipino WWII veterans with case management, translation, counseling, transportation, and other educational programs to ensure that they received entitlement benefits and services. Approximately 40 Milpitas seniors would benefit from these services (MC).
- 10. Filipino Youth Coalition (\$5,000)**-Provides prevention and intervention services to Milpitas Russell Middle School and Milpitas High School. Services will include one-on-one peer counseling, monitoring of grades, and attendance, leadership and team building, life resiliency skills, character building and violence prevention. Approximately 250 Milpitas youths will benefit from these services. (CW)
- 11. India Community Center (\$5,000)**-Provides socialization, health awareness education, citizenship training, language classes, creative writing, basic computer skills, job training and referral for seniors living in Milpitas. Approximately 48 Milpitas senior residents would benefit from these services (MC).
- 12. Live Oak Adult Day Services (\$5,556)**- Provides specialized adult day care for frail and dependent at-risk seniors, respite for family caregivers, and nutritious meals (breakfast and hot lunch) and snacks. Approximately 14 Milpitas residents would benefit from these services (CW).
- 13. Milpitas Food Pantry (\$15,850)**-Provides monthly supplemental supplies of food to very low and low-income families. Approximately 1,080 Milpitas residents would benefit from these services (MW).
- 14. Next Door Solutions (\$5,556)**-Provides shelter for up to 30 days for battered women and their children who are in immediate danger and have no where else to turn. Approximately 169 Milpitas residents would benefit from these services (CW).
- 15. Project Sentinel (\$15,000)**-Provides fair housing services and investigation of housing discrimination complaints. Also, tenant-landlord counseling services will be provided. These services will be available to all Milpitas residents. (Note: The total of \$15,000 will be funded from the 20% CDBG General Administration) (CW/MC).
- 16. Second Harvest Food Bank of Santa Clara County (\$5,676)**-Provides operation brown bag, weekly groceries to very low-income seniors 60+ years old. Approximately 340 households in Milpitas will benefit from these services (CW).
- 17. Senior Adults Legal Assistance (\$5,033)**-Provides free legal services to Milpitas elderly citizens. Approximately 38 Milpitas residents will benefit from these services (CW).

**18. Support Network of Battered Women (\$6,406)**-Provides 24 hour comprehensive services for battered women and their children. Approximately 24 Milpitas residents would benefit from these services (CW)

**(CW) Citywide Activities and Programs**

**(MC) Minority Concentration Activities and Programs**

City of Milpitas  
Action Plan-Community Development Block Grant (CDBG) Activities  
Fiscal Year 2004-2005

**Community Development Block Grant Planned Activities (Non-Public Services)**

1. **Economic and Social Opportunities, Inc. (\$80,000)**-Provides housing improvements designed to preserve existing affordable housing stock, help improve health and safety conditions for physical limited persons. Approximately 38 Milpitas households would benefit from these services (CW).
2. **City of Milpitas Housing Rehabilitation Program (\$207,150)**-Provides housing rehabilitation loans to very low and low-income Milpitas homeowners. Approximately 6-8 Milpitas homeowners would benefit from this program. Because of program-income, \$75,000 of the total \$207,150 allocated for this fiscal year will be used for Program Administration (MC).
3. **City of Milpitas Senior Center Improvements (\$100,000)**-Continuation of renovations and improvements at the Milpitas Senior Center. The next phase of improvements includes food service equipment for the renovated kitchen area and wireless listening assisted devices for senior programs. This project will allow services to be provided to Milpitas senior populations with limited interruptions (CW).

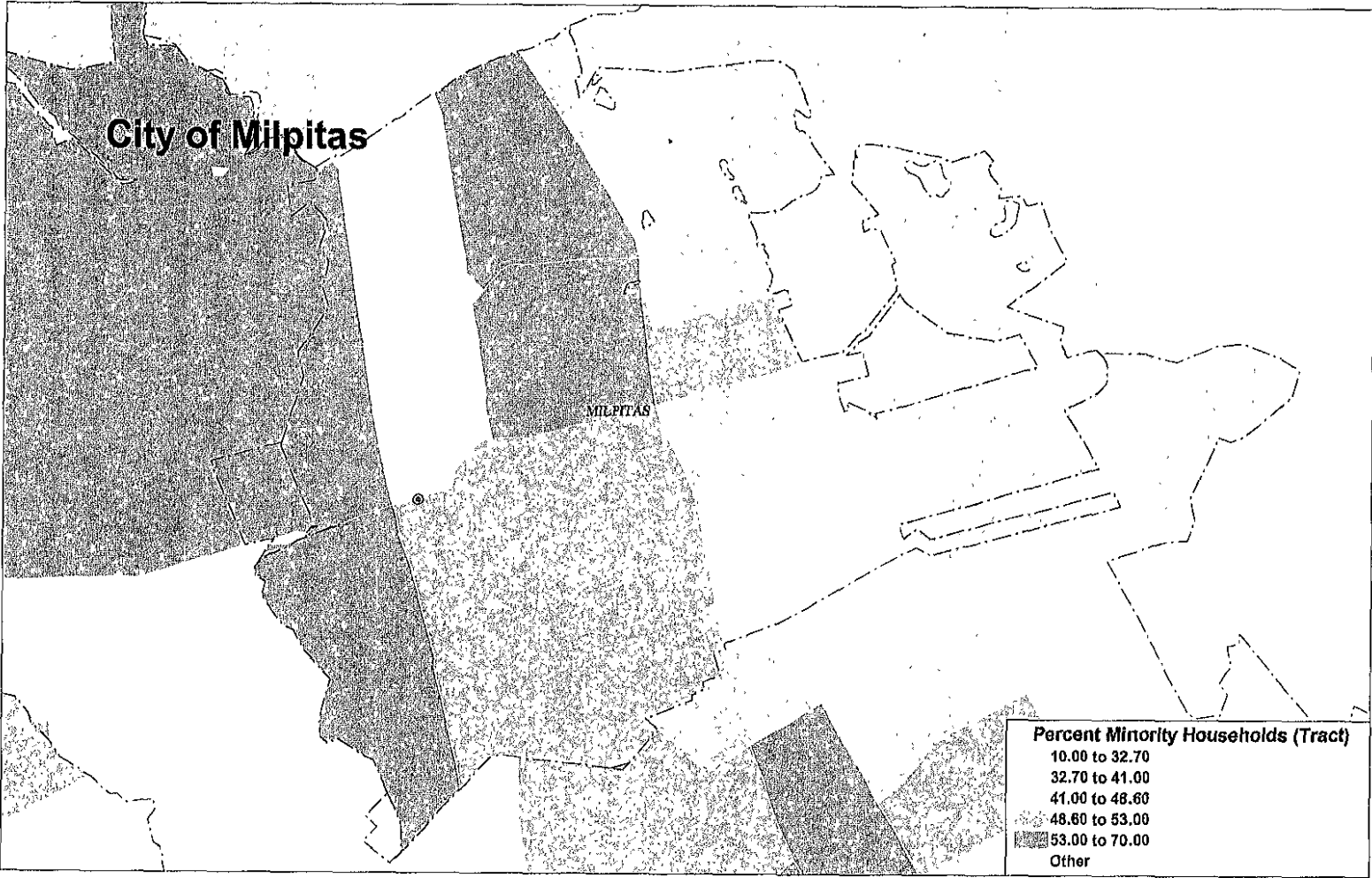
**(CW) Citywide Activities and Programs**

**(MC) Minority Concentration Activities and Programs**

City of Milpitas  
Action Plan-Community Development Block Grant (CDBG) Activities  
Fiscal Year 2004-2005

**Program Administration Funds**

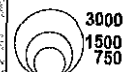
- 1. General CDBG Program Administration (\$127,200)**-This funding will be used to administer and monitor the General CDBG Program by the City of Milpitas staff.  
**Note: A total of \$15,000 from the \$142,200 has been allocated from CDBG Program Administration for Project Sentinel Fair Housing Services.**
- 2. Housing Rehabilitation Program Administration (\$75,000)**-This funding will be used to implement and monitor the City's Housing Rehabilitation Program by the City of Milpitas staff.



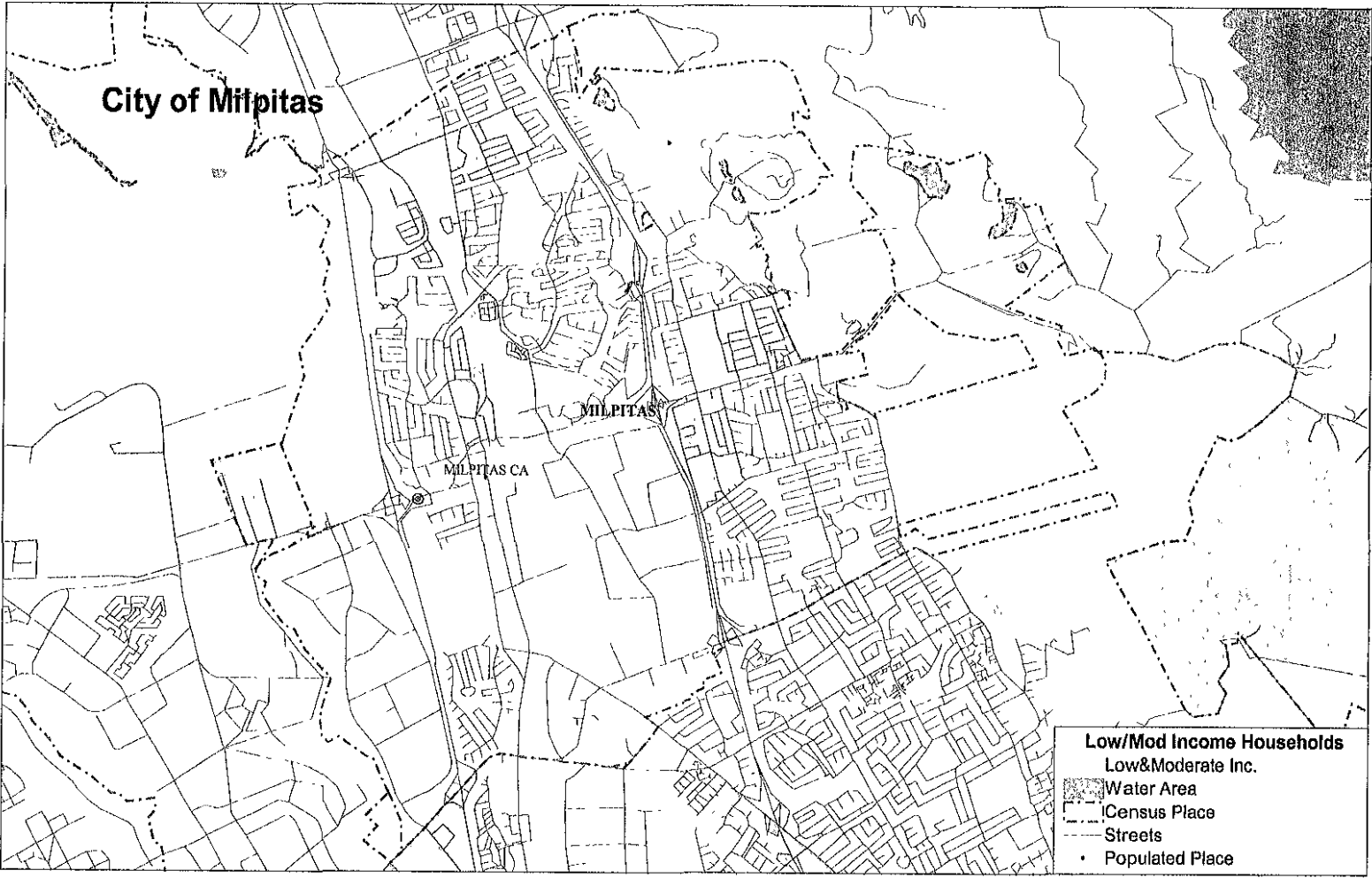
City of Milpitas

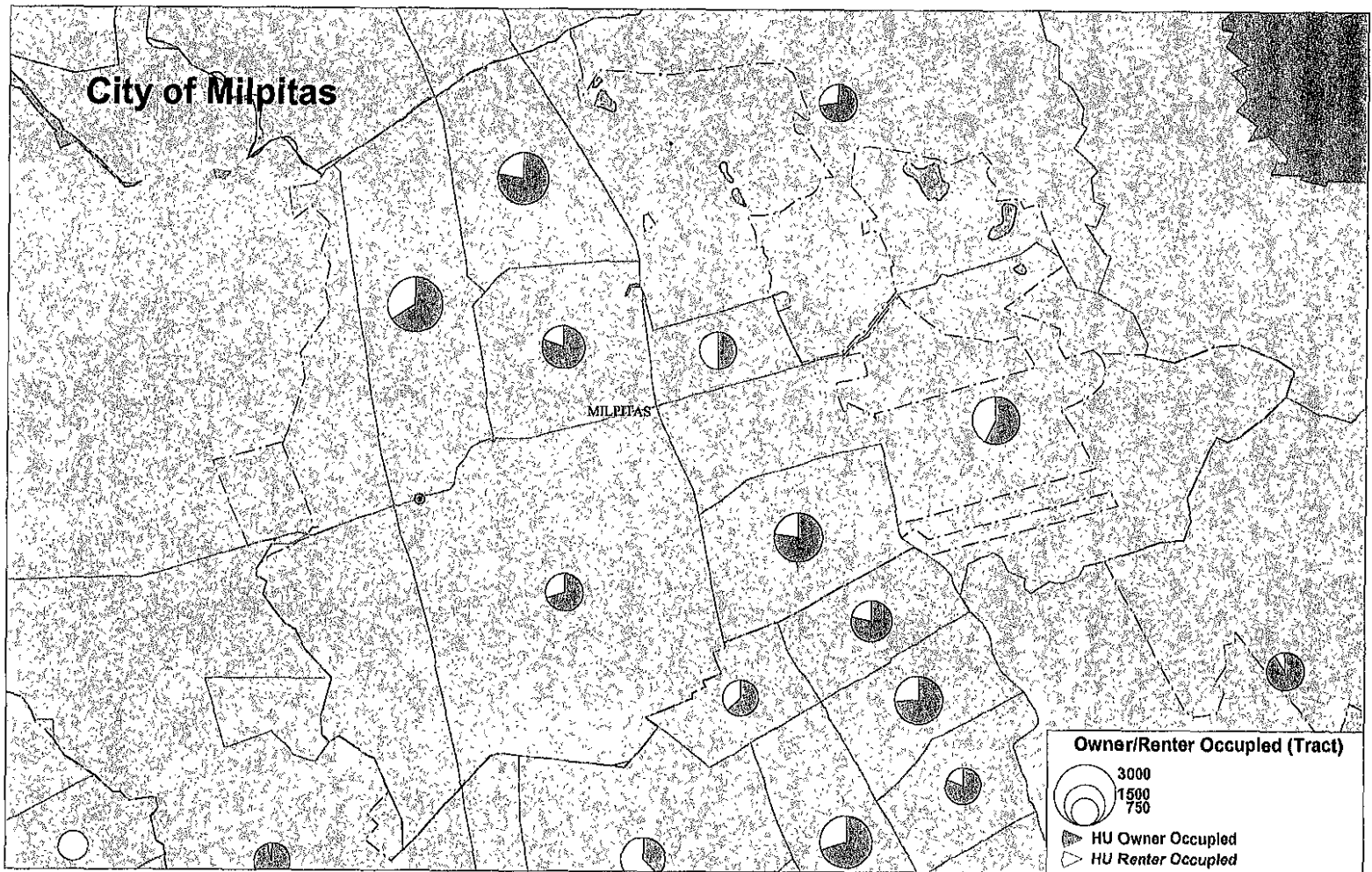
MILPITAS

Household Income Ranges (Tract)



- ▶ HH Inc: <\$10K
- ▶ HH Inc: \$10K-20K
- ▶ HH Inc: \$20K-30K
- ▶ HH Inc: \$30K-40K
- ▶ HH Inc: \$40K-50K
- ▶ HH Inc: \$50K-60K
- ▶ HH Inc: \$60K-100K
- ▶ HH Inc: \$100K+

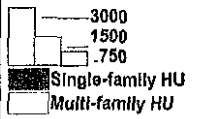




# City of Milpitas

MILPITAS

## Housing (Tract)





City of Milpitas

Milpitas

**Overcrowded Housing (Tract)**

0

- 1 to 29
- 30 to 189
- 190 to 279
- 280 to 600

